

***Health Care Summit Rapid Response #3:
--Speaker Pelosi Claims the Purpose of Cutting Medicare by \$500
Billion is to Eliminate Waste, Fraud, and Abuse --***

Assertion #3 (12:15 p.m.):

Earlier, Speaker Pelosi talked about the importance of creating health care savings and not adding to the debt. She then went on to highlight waste, fraud, and abuse in Medicare as a way to realize those savings:

"And I want to say -- because Medicare was mentioned -- unless we pass this legislation, we cannot keep our promises on Medicare. We simply must make the cuts in waste, fraud and abuse in Medicare so that the benefits and the premiums are untouched. We owe it to our seniors; we owe it to our country."

Presumably, she was defending the House Democrats' proposal to reduce Medicare spending by over \$500 billion. Rather than using that money to reform Medicare, Democrats use the funds to create a new entitlement, adversely affecting Medicare benefits and quality for seniors. According to the CMS Actuary Report on Medicare cuts...

Seniors Lose Access to Medicare Advantage and Benefits: One-in-three seniors would lose their Medicare Advantage plan, and benefits offered in those plans would be cut...

"We estimate that in 2015, when competitive benchmarks would be fully phased in, enrollment in MA plans would decrease by about 33 percent (from a projected level of 13.7 million under current law to 9.2 million under the proposal)." ([CMS report page 10](#))

Medicare Cuts Could Create a Shortage of Physicians: Medicare cuts could lead providers to stop seeing Medicare patients, jeopardizing access to care for seniors...

"Over time, a sustained reduction in payment updates, based on productivity expectations that are difficult to attain, would cause Medicare payment rates to grow more slowly than, and in a way that was unrelated to, the providers' costs of furnishing services to beneficiaries. Thus, providers for whom Medicare constitutes a substantive portion of their business could find it difficult to remain profitable and, absent legislative intervention, might end their participation in the program (possibly jeopardizing access to care for beneficiaries)." ([CMS report page 9](#))